



## DIRECT CONTRIBUTION OF TOURISM TO BELIZE'S ECONOMY ESTIMATED AT 11.8% OF GDP AND 25,000 JOBS

The Statistical Institute of Belize (SIB), with the support of key partners, recently concluded the compilation of the country's first Tourism Satellite Account (TSA), for the year 2019. The TSA integrates data on the supply and use of tourism-related goods and services into a single format, providing base information for the understanding and monitoring of tourism activity in Belize. The 2019 Tourism Satellite Account is comprised of a set of eight tables (see Annex 1), which was compiled using the United Nations World Tourism Organization compilation framework and is consistent and integrated with the 2008 System of National Accounts, which is used for estimating the Belize's Gross Domestic Product (GDP).

The TSA measures expenditure in Belize by both resident and non-resident tourists, and provides a picture of the overall size of the tourism industry as well as its direct contribution to GDP and employment. It should be noted that *the TSA captures only the direct value-added of tourism to total GDP and does not include indirect contributions to the economy.*

### Direct Economic Contributions of Tourism 2019:

For the year 2019, the **direct contribution** of Belize's tourism industry to the national economy stood at 11.8 percent of total GDP, making it the second largest contributor to GDP among the country's major industries. Total internal tourism expenditure within Belize for the year 2019 was valued at about \$1.099 billion, almost all of which was from inbound tourism expenditure (see Table 1). Tourism was the country's single largest foreign exchange earner, with total expenditure by inbound tourists amounting to more than double the value of all merchandise exports in 2019. During this period, tourism also accounted for one in every seven jobs in Belize, with just under 25,000 persons employed in more than 2,200 establishments within this industry.

### Internal Tourism:

Internal tourism comprises all tourism expenditure by both non-resident and resident travelers, namely inbound tourism expenditure and domestic tourism expenditure. For the year 2019, internal tourism expenditure totaled \$1,099.2 million. Inbound tourism accounted for \$1,020.6 million, or 92.8 percent of Belize's internal tourism expenditure, and domestic tourism accounted for \$78.7 million or 7.2 percent (see Table 1).

The largest share of internal tourism expenditure was spent on 'Tourism characteristic products' (75.2 percent). Within this category, tourism expenditure by *overnight inbound visitors* was mostly allocated to 'Accommodation services for visitors' (48.8%), 'Other consumption products' (18.6%), and 'Food and beverage services' (13.5%). Expenditure by *same-day inbound visitors* was mostly allocated to 'Other consumption products' (32.9%) and 'Food and beverage services' (23.4%). On the other hand, expenditure by *overnight domestic tourists*, went mostly towards 'Tourism connected consumption' (34.1%), 'Non-tourism related consumption' (29.1%), and 'Food and beverage serving services' (7.4%)

Table 1: Internal tourism consumption by product categories  
(Millions of Belize Dollars)

Products	Inbound	Domestic	Total
Tourism characteristic products	807.0	19.4	826.4
Tourism connected products and services	195.4	34.0	229.3
Non-tourism related consumption products and services	18.3	25.3	43.5
<b>Total</b>	<b>1,020.6</b>	<b>78.7</b>	<b>1,099.2</b>

Source: Statistical Institute of Belize

### Total Domestic supply and internal tourism (at purchasers' prices):

Table 2 below is based on the sixth of the set of tables that comprise the Tourism Satellite Account. It is the core table of the TSA, where the reconciliation between domestic supply and internal tourism consumption takes place. It provides the basic information that is necessary to compute tourism's direct contribution to the country's GDP.

In 2019, the total domestic supply of all goods and services from the national economy was valued at \$10,778 million (see Table 2). The proportion of total domestic supply across various categories of products which is accounted for by internal tourism consumption is called the tourism ratio. The tourism ratios across these product categories showed that, for products within the 'Accommodation services for visitors' category, 85 percent was accounted for by internal tourism consumption. This was followed by 'Air Passenger transport', with a tourism ratio of 63.7 percent, 'Transport equipment rental services' (57.9 percent), 'Travel agencies and other reservation services' (55.6 percent), and 'Food and beverage serving services' (50.7 percent) (see Table 2).

Table 2: Total domestic supply and internal tourism (at purchasers' prices) by product (Millions of Belize Dollars)

A.1. Tourism Characteristic Products	Domestic Supply (At Purchasers' Prices)	Internal Tourism Consumption	Tourism Ratios (%)
1. Accommodation services for visitors	494.0	419.8	85.0
2. Food- and beverage-serving services	316.0	160.2	50.7
4. Road passenger transport services	177.6	67.4	38.0
5. Water passenger transport services not relevant	27.3	5.7	20.9
6. Air passenger transport services	76.6	48.8	63.7
7. Transport equipment rental services	44.0	25.5	57.9
8. Travel agencies and other reservation services	63.7	35.5	55.6
9. Cultural services	65.8	23.7	36.0
10. Sports and recreational services	65.2	3.9	6.0
12. Country-specific tourism characteristic services	72.9	35.9	49.3
A.2. Other consumption products (a)	9,375.0	272.9	2.9
<b>Total</b>	<b>10,778</b>	<b>1,099</b>	

Source: Statistical Institute of Belize

### Gross Value Added of Tourism Industries (GVATI):

The direct contribution of an industry to the country's economy is measured in terms of Gross Value Added (GVA). The GVA refers to the **additional** value of goods and services that are newly created in the economy by an industry and are available for domestic final use or for export. In addition to the tourism ratio, The GVA of tourism industries is also derived from the sixth table of the TSA.

Table 3: Production account of tourism and other industries and the share of tourism direct participation (Millions of Belize Dollars)

	Tourism Industries	Tourism Direct Participation	Other Industries	Tourism Direct Participation	Taxes Less Subsidies	Tourism Direct Participation
Output	1,178.3	729.2	6,444.0	264.2	724.3	73.6
Intermediate Consumption	617.5	386.1	2,975.0	122.0		
Gross Value Added	560.8	343.1	3,469.0	142.2		

Source: Statistical Institute of Belize

The results of the 2019 TSA indicated that the value of total output generated by the 'Tourism industries' stood at \$1,178 million. After removing the cost of production (also known as intermediate consumption) from the output value, the Gross Value Added of Tourism Industries (GVATI) was estimated at \$560.8 million. The total GVA generated by all 'Other industries' was \$3,469 million, while 'Taxes less subsidies on products' for all industries totaled \$724.3 million (see Table 3).

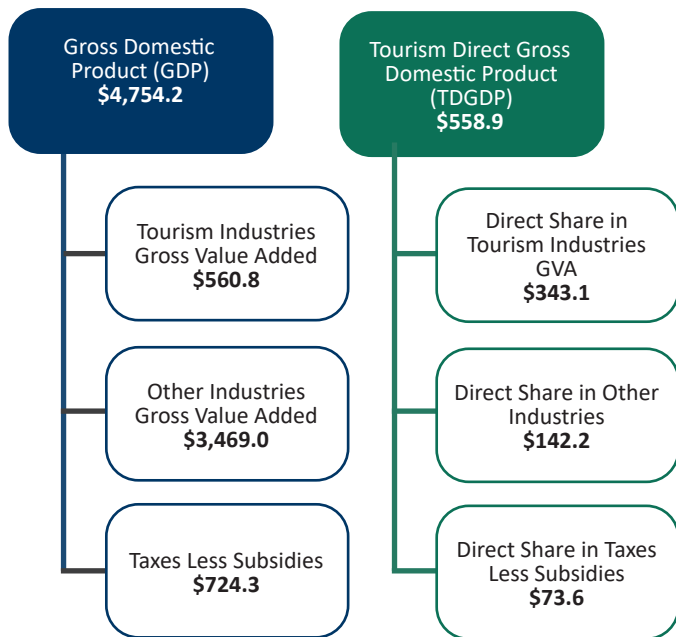
### Tourism Direct Gross Domestic Product (TDGDP):

The Tourism Direct Gross Domestic Product (TDGDP) refers to the direct GDP generated by internal tourism consumption. The TDGDP represents the summation of the 'Tourism direct participation' for 'Tourism industries' (\$343.1 million), for 'Other industries' (\$142.2 million), and for 'Taxes less subsidies on products' (\$73.6 million). This results in a total Tourism Direct Gross Domestic Product of \$558.9 million or 11.8 percent of Belize's GDP, which was estimated \$4,754.2 million for the year 2019 (see Table 3).

<sup>1</sup> Examples of 'Tourism connected consumption' include food products, alcoholic beverages, medical services, and telecommunication services..

<sup>2</sup> Examples of 'Non-tourism connected consumption' include items such as electronics, cleaning services, freight transport.

Figure 1: Tourism direct contribution to GDP (Millions of Belize Dollars)



Source: Statistical Institute of Belize

### TDGDP Share of Total GDP – Comparison with Other Countries:

Table 4 below provides a comparison of Belize's 2019 Tourism Direct GDP as a proportion of total GDP with other countries that have compiled a TSA. Within the Caribbean region, St. Lucia reported the highest contribution of tourism to the overall economy, with a TDGDP of 34 percent as of 2016. The Bahamas reported a contribution of 15 percent for 2012, while Jamaica reported a TDGDP of 6.4 percent for 2019 (see Table 4). The direct contribution of tourism to Belize's GDP was well above that of neighboring countries, Mexico (8.6 percent) and Costa Rica (4.8 percent).

Table 4: TDGDP Comparison with Other Countries

Country	TDGDP % GDP	Reference Year
St. Lucia	34.0%	2016
Bahamas	15.0%	2012
Spain	12.4%	2019
<b>Belize</b>	<b>11.8%</b>	<b>2019</b>
Mexico	8.6%	2019
Portugal	8.1%	2019
Thailand	7.4%	2019
Jamaica	6.4%	2019
Italy	5.7%	2019
Costa Rica	4.8%	2019
Peru	3.9%	2019
Colombia	2.6%	2019
Canada	2.1%	2019

Source: Statistical Institute of Belize

### Number of Tourism Establishments and Employment in Tourism Industries:

For the year 2019, the total number of business establishments across all tourism industries was 2,244. The 'Food and beverage serving' industry accounted for the highest share of these establishments at 52.2 percent. This was followed by the 'Accommodations for visitors' industry (27 percent) and 'Travel agencies and other reservation services' industry (8.2 percent).

A total of 24,999 persons were working in the tourism industries in 2019. Of these 1,481 were self-employed, while the remainder were employees. The 'Accommodations for visitors' industry was the largest employer, providing 11,076 or 44.3 percent of total jobs within the tourism industries in 2019. This was followed by 'Food and beverage serving', which accounted for 34.5 percent of jobs in tourism, employing a total of 8,618 persons, while 'Travel agencies and other reservation services' employed a total of 2,201 persons (see Table 5).

Table 5: Employment in tourism industries

Industry	Number of Establishments	Number of Employees
1. Accommodation for visitors	605	11,076
2. Food- and beverage-serving industry	1,172	8,618
4. Road passenger transport	67	187
5. Water passenger transport	12	303
6. Air passenger transport	9	789
7. Transport equipment rental	53	438
8. Travel agencies and other reservation services industry	185	2,201
9. Cultural industry	49	483
10. Sports and recreational industry	50	637
11. Retail trade of country-specific tourism characteristic goods	33	129
12. Country specific tourism industries	9	138
<b>Total</b>	<b>2,244</b>	<b>24,999</b>

Source: Statistical Institute of Belize

### Annex 1: TSA Table Composition

The TSA is comprised of 10 tables that summarize tourism production, tourism consumption, tourism supply, remunerated employment, and non-monetary tourism indicators. The SIB compiled the below TSA tables for 2019:

- Table 1 - Inbound tourism expenditure
- Table 2 - Domestic tourism expenditure
- Table 3 - Outbound tourism expenditure
- Table 4 - Internal tourism expenditure
- Table 5 - Production accounts of tourism industries and other industries (at basic prices)
- Table 6 - Domestic supply and internal tourism consumption, by products (at purchasers' prices)
- Table 7 - Employment in tourism industries
- Table 10 - Non-monetary indicators